

MONTHLY ANALYSIS OF INDUSTRY EMPLOYMENT DATA

New Hampshire, July 2002

B G McKay

Seasonally Adjusted. Total nonfarm employment grew by 800 jobs according to July's seasonally adjusted estimates.

The services industrial division led the job creators by adding 2,100 jobs to its roster. Manufacturing checked in with an addition of 1,000 jobs to the month's totals. The construction industrial division increased its employment level by 400 jobs. Finally, transportation and public utilities, finance, insurance, and real estate industrial divisions each brought 100 additional workers on board.

A 1,800-job reduction in government and an 800-job drop in the trade industrial division scaled back those previously mentioned gains.

Unadjusted Seasonal employment activity flourished during the month of July in the unadjusted estimates as total nonfarm employment declined by 6,100 jobs. Government employment was the primary mover of the unadjusted trend as there were 9,300 fewer workers on the job in July. Manufacturing employment was off by 700 jobs in the month. To round out the divisions dropping jobs, transportation and public utilities cut its work force by 600 jobs.

The positive side of seasonal activity saw the services industrial division supplement its labor force with 2,500 more workers. The trade industrial division augmented its staff with 1,400 more workers. Construction added 400 jobs to its ranks, while mining and finance, insurance, and real estate each contributed 100 jobs to the mitigation effort.

MINING

Mining employment grew by 100 jobs according to July's adjusted estimates. When compared to the total employment for the state, mining comprises a very small portion of that total. Minor shifts in the division's level produce dramatic statistics without significant change in the employment picture for this industrial division.

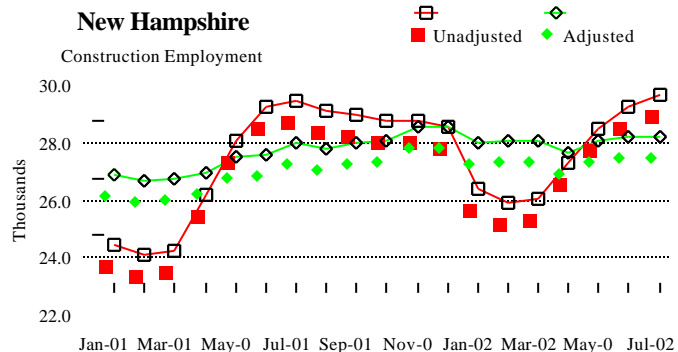
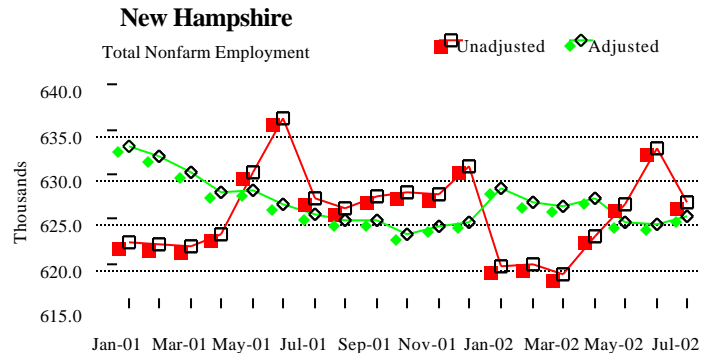
Over the past several months, mining employment has expanded. History from the past years indicated that employment ceiling has been set at 500 jobs. July's estimate breaks through that ceiling.

The sample suggested that there was an increased demand for construction sand and gravel.

CONSTRUCTION

Seasonally Adjusted. This data series revealed that the construction industrial division employment remained unchanged in over-the-month activity.

Unadjusted As the warmer weather sets in, the construction industrial division takes on more projects. In July to meet the added workload, construction added 400 workers to its force. Special trade contractors (SIC 17) accounted for 300 of the 400 added jobs, while general building contractors (SIC 15) chipped in the remaining 100 jobs. Heavy construction contractors maintained their employment at the June level.



MANUFACTURING

Seasonally Adjusted. July's seasonally adjusted showed manufacturing employment grew by 1,000 jobs. Durable goods manufacturers were responsible for 800 of those 1,000 added jobs. Nondurable goods manufacturing contributed the remaining 200 jobs.

From the published industries in durable goods manufacturing, we saw that electronic and other electrical equipment (SIC 36) expanded its work force by 200 jobs. Fabricated metal products (SIC 34) supplied 100 jobs to July's total.

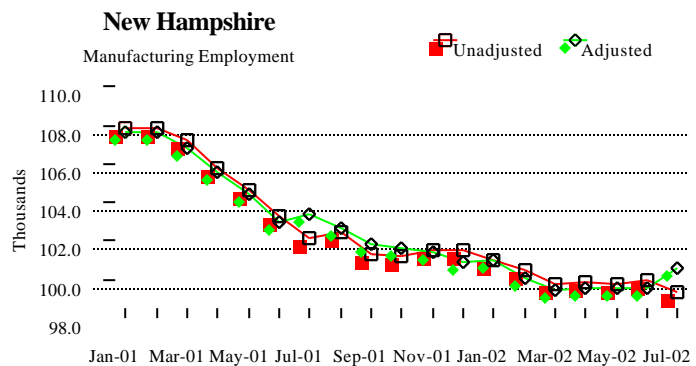
Industrial machinery and equipment (SIC 35) was the only published industry in the seasonally adjusted data series to post negative numbers as it dropped 100 jobs during the month.

Turning to the nondurable goods manufacturing sector, rubber and miscellaneous plastic products (SIC 30) enlarged its employment total by 300 jobs. Leather and leather products (SIC 31) went against the prevailing expansion tide by trimming 100 jobs from its ranks.

Unadjusted. Traditionally, July is the month where many manufacturers shut the plants down for preventive maintenance and retooling. The employees take advantage of this down time for vacations. Once again, this vacation period is reflected in the 700-job decline in manufacturing's employment level.

Durable goods manufacturing's employment dropped by 400 jobs in July at the subdivision level. Within the subdivision, industrial machinery and equipment (SIC 35) led all industries with a 300-job reduction. Fabricated metal products (SIC 34) cut back by 200 jobs. Our sample indicated that the primary metal industries (SIC 33) did not observe shut down as this industry added 100 the rolls.

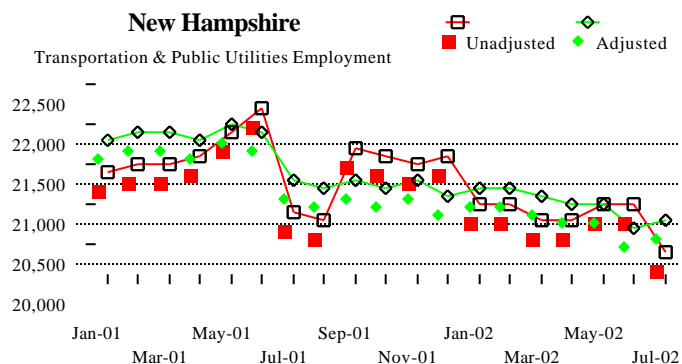
In looking at the published nondurable goods manufacturing industries, we find that leather and leather products' (SIC 31) employment was down by 200 jobs. Textile mill products and apparel (SICs 22 and 23) and paper and allied products (SIC 26) each pared 200 jobs from their respective labor force.



TRANSPORTATION AND PUBLIC UTILITIES

Seasonally Adjusted. In seasonally adjusted terms, July employment estimates enjoyed a relatively calm month as the trend line moved up by 100 jobs.

Unadjusted. The July unadjusted estimates showed employment in this industrial division declined by 600 jobs. The transportation sector accounted for the entire drop. School bus drivers have taken a summer hiatus.



TRADE

Seasonally Adjusted. The trade industrial division's employment fell by 800 jobs according to this data series. Retail trade dropped by 900 jobs while wholesale trade employment increased by 100 jobs in July's seasonally adjusted estimates.

A review of the published industries in retail trade showed that eating and drinking establishments (SIC 58) pared 400 jobs from their payrolls in July. Furniture, home furnishings, and equipment stores (SIC 57) reduced their work force by 200 jobs.

The only other published industry in this series that showed movement was general merchandise stores (SIC 53) which gained 100 jobs.

Unadjusted. In July's unadjusted estimates for the trade industrial division, employment grew by 1,400 jobs. Wholesale trade employment increased by 100 jobs during the month.

Retail trade added 1,300 jobs overall to the employment level. Being well into the industry's primary peak season, eating and drinking establishments (SIC 58) increased its labor pool by 1,600 jobs.

Preliminary July estimates showed that employment in general merchandise stores (SIC 53) fell by 100 jobs, while the remaining publishable industries sustained June's employment levels into July.

FINANCE, INSURANCE, AND REAL ESTATE

Seasonally Adjusted. The finance, insurance, and real estate industrial division enjoyed a modest increase in employment level, as the division brought 100 additional workers on board. Because seasonally adjusted factors are developed at the major industrial division level, one must look at the unadjusted numbers to gain an insight into the forces that move the trend line.

Unadjusted. July estimates for this industrial division showed employment grew by 100 jobs. The insurance industries kept their employment at the June level.

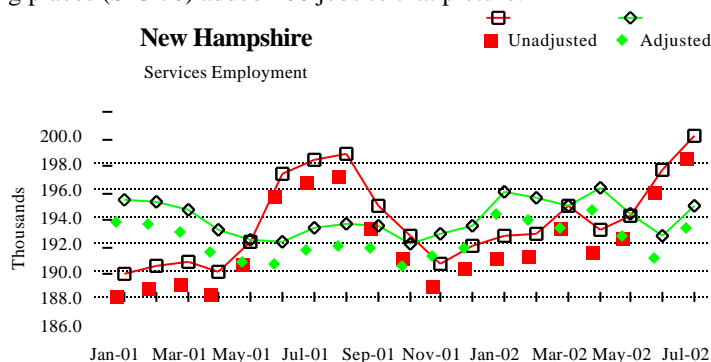
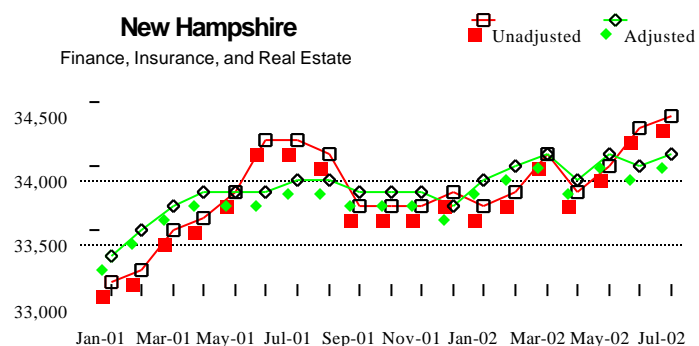
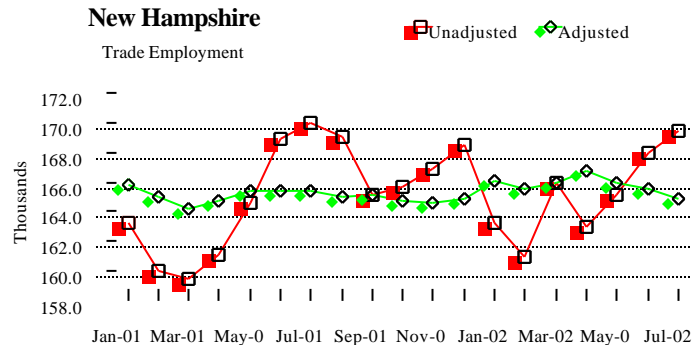
The sample suggested that real estate businesses and holding and other investments companies experienced a modest increase in employment during July.

SERVICES

Seasonally Adjusted. The services industrial division added 2,100 jobs to July's employment level. Of the two publishable industries in this data series, business services (SIC 73) augmented the month's total employment with an 800-job increase. Hotels and other lodging places (SIC 70) added 100 jobs to that picture.

Unadjusted. Like the trade industrial division, July is part of the peak season for the services industrial division, as the employment level grew by 2,500 jobs in over-the-month activity.

The are many diverse functions grouped into the services industrial



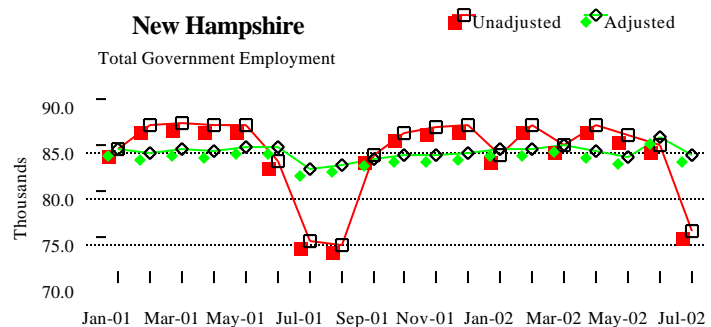
division. July's employment increase can be primarily linked to those businesses associated with the travel and tourism industry. One of those industries is hotels and other lodging places (SIC 70), whose employment ranks swelled by 1,700 jobs.

Employment in the remaining published industries in the services division stayed at the levels established in June.

GOVERNMENT

Seasonally Adjusted. Seasonally adjusted estimates for July indicated that employment in this industrial division dropped by 1,800 jobs. Local government was responsible for the lion's share of the loss, as there were 1,700 fewer jobs on the books. Government at the federal level accounted for the remaining 100 jobs lost, as state government employment maintained its June level.

Unadjusted July's unadjusted estimates indicated that there was a greater shift in the number of government workers. The unadjusted trend line took a 9,300-job dip. Local government employment took the largest hit with a 10,000-job reduction. Educational services at that level concluded another term of school.



State government employment increased by 700 jobs in July's estimates. Parks and recreational services and functions in the transportation department were the major contributors to the increase.

Federal government employment continued at the level established in the previous month's estimates.